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FISCAL IMPACT REPORT

SPONSOR: Miera DATE TYPED: 03/20/03 HB 468

SHORT TITLE: Expand Adult Literacy Services SB _____

ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$250.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB352

SOURCES OF INFORMATION

LFC Files

Responses Received From

State Library, Office of Cultural Affairs (OCA)

State Department of Education (SDE)

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

House Bill 468 appropriates \$250.0 from the general fund to the library division of the Office of Cultural Affairs for the purpose of contracting with a statewide nonprofit adult literacy organization to provide basic literacy services in areas of the state that are underserved by existing adult basic education and literacy programs.

Significant Issues

The bill states the organization shall provide (1) program management and operating support services for community-based literacy programs that use volunteer tutors to deliver expanded adult literacy services; and (2) technical support services that include training on evaluation standards and techniques, best practices in the delivery of literacy services, community literacy boards development and training, volunteer recruitment and support, financial and program management and quantifiable documentation of outcomes.

The appropriation is designated to use existing services whenever possible to expand service delivery in the areas of the state that are currently underserved, which are the far eastern and far western parts of New Mexico, to avoid duplication.

The State Library oversees the contract with the New Coalition for Literacy (NMCL), who in turn funds the adult basic literacy programs, states that the NMCL is only able to fund existing program grantees collectively at approximately one-third less than their stated need and request for funds.

According to the State Library, with the existing funds appropriated to the State Library for this purpose, last year NMCL funded adult basic literacy programs that utilized 79,000 volunteer hours for the neediest New Mexicans whose education is below the fourth grade level and need one-on-one instruction because they cannot, for one reason or another, fit into an institutional, classroom setting. The adult basic literacy programs funded by the NMCL differ from adult literacy programs of the State Department of Education.

PERFORMANCE IMPLICATIONS

The New Mexico Coalition for Literacy provided the following statistics regarding the existing appropriated funds for adult literacy services.

	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02
Amount of State Appropriation	\$450.0	\$400.0	\$400.0	\$400.0	\$400.0	\$400.0
Amount Awarded in Grants to Local Literacy Programs	\$218.0	\$204.0	\$180.0	\$188.2	\$180.0	\$180.0
Average Grant to Local Programs	\$7.5	\$8.5	\$7.8	\$8.2	\$8.2	\$6.9
Total Number of Volunteer-Based Literacy Programs Statewide	90	92	95	94	94	95
Number of Programs Receiving Operating Assistance Grants	29	24	23	23	23	26
Total Number of Student Served by Funded Programs	3,484	3,934	3,400	3,550	3,500	3,889
Total Number of Instructional Hours Provided by Funded Programs	-	-	-	-	104,739	160,492
Total Number of Volunteer Hours Provided by Tutors					79,747	79,921
Total Dollar Value of Volunteer Tutor Time \$15.39/hr(2000-01)/\$16.05/hour (2001-02)*	-	-	-	-	\$1,227.3	\$1,282.7
total Number of New Tutors Trained by NMCL	761	875	993	1367	1,350	1,380
Number of Tutor Trainings Conducted by NMCL	65	73	84	102	102	96
Total Grants to Local Programs for Resource Materials	\$3.2	\$5.2	\$7.7	\$8.9	\$7.0	\$6.3

* From the independent-sector based on figures from the U.S. Bureau of Labor Statistics

- Data had not been previously collected in these category areas.

FISCAL IMPLICATIONS

The appropriation of \$250.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY04 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The State Library acts as a pass through for funds appropriated for adult literacy to the New Coalition for Literacy. The State Library does not take out administrative costs for administering the appropriation; therefore, additional funds for the purpose proposed by this bill would not create additional burden to the State Library.

DUPLICATION

This bill duplicates Senate Bill 352.

OTHER SUBSTANTIVE ISSUES

The State Department of Education states numeracy, language arts and the arts are integral parts of literacy. The State Board of Education Content Standards, Benchmarks and Performance Standards in the areas of Language Arts, Mathematics and the Arts could assist in the development of evaluation standards for HB 468.

The Commission on Higher Education notes that for many years New Mexico's approach to literacy services has included complimentary efforts of the State Department of Education (SDE), Department of Human Services and the Office of Cultural Affairs (OCA). The SDE has focused on K-12 literacy initiatives in the public schools and Adult Basic Education (ABE)/GED preparation largely delivered through the state's community college system; Department of Human Services has focused on services for TANF eligible clients; and OCA has focused on volunteer tutor programs for individuals with the lowest literacy levels and least likely to access institution-based services. All three efforts are complimentary parts of a state literacy system.

According to information from the 2000 Census, ABE program directors, the SDE, and the NM Coalition for Literacy, need and demand for literacy services have been rising annually while budgets for adult basic education have remained static or been reduced. The additional funds would be used to provide services primarily in underserved communities around the eastern, northern and western periphery of the state.

JMG/prr:njw